

Mercer Limited Conflicts of Interest Policy

SUMMARY

This policy explains how we identify, prevent and manage actual or potential conflicts of interest which may arise between our clients (be they retail or professional) and ourselves, or between one client and another in circumstances where we are providing our products and services. We will take all reasonable steps to prevent conflicts of interest from adversely affecting the interests of our clients.

SCOPE

Mercer has an obligation to act in the best interests of our clients and to comply with our statutory and regulatory requirements.

This policy covers the following areas of potential conflict:

- The personal interests of an employee of Mercer or of a company affiliated with Mercer, conflicts with a duty owed to a client or clients.
- The corporate interests of Mercer or its affiliates conflicts with the best interests of a Mercer client or clients.
- A duty Mercer owes to one client conflicts with a duty to another.

While the scope of this policy covers all Mercer Limited services, we pay special attention to instances where we may undertake the activities of investment research and advice, portfolio management and advising on mergers and acquisitions.

TYPES OF CONFLICT

When considering whether a conflict of interest does, or has the potential to exist, the following will be taken into account as appropriate:

- Is Mercer likely to make a financial gain, or avoid a financial loss, at a client's expense?
- Does Mercer have an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is separate and distinct from the client's interest in that outcome?
- Does Mercer have a financial or other incentive to favour the interests of one client (or group of clients) over the interests of another client?
- When providing a service to a client, does Mercer receive or will it receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard fee for that service?

EXAMPLES OF CONFLICTS OF INTEREST

Circumstances can arise which create potential conflicts between the interests of clients and the interests of employees, such as the following:

- Access to confidential information in a corporate entity in which an employee has or could acquire a personal shareholding.
- Personal benefits received from clients or service providers e.g. gifts and entertainment.

- Holding non-Mercer roles, such as serving as a director for a non-Mercer business, in addition to their role at Mercer.

Mercer has policies, procedures and codes in place to manage such conflicts including the MMC Code of Conduct, “The Greater Good”, Personal Securities Trading Policies, Gifts and Entertainment Policies and Policies on holding outside Directorships.

In addition to various policies and procedures, the following controls are examples of those used for managing conflicts of interest:

- Information barriers to prevent/restrict the flow of information to certain employees in order to protect the interests of our clients. This could be the physical separation of certain employees, the use of separate teams to act for certain clients or restrictions on access to client folders.
- Clear desk policies.
- Peer Review.

MANAGING POTENTIAL CONFLICTS

We have established robust systems and controls to identify, prevent and manage actual and potential conflicts as they arise. Where possible, we will try to avoid such situations but acknowledge that this will not always be possible.

How we manage a specific conflict will depend on its nature and significance but typical examples of our approach are as follows:

- We may be unable to undertake work for clients if we identify an actual rather than a potential conflict and there is a risk that our client’s interests may be damaged.
- We will seek the informed consent of the client(s) affected by a potential conflict before we provide products or services.
- If we believe the potential conflict is low risk, we may disclose it to our clients without seeking express consent.
- Where we manage a potential conflict by disclosing it to our clients, whether or not we seek their consent, we will take into account our duty to keep particular information confidential.

Mercer Limited
Authorised and regulated by the Financial Conduct Authority
1 Tower Place West
Tower Place
London EC3R 5BU